

NSA review completed

18 OCT 1985

MEMORANDUM FOR: Chairman, SECOM

FROM:

Director of Security

SUBJECT: Department of Energy Request for Waiver of  
DCID 1/7 NOCONTRACT Controls

1. This memorandum is in response to the request from the Department of Energy (DOE) for a waiver of DCID 1/7 restrictions to permit "NOCONTRACT" material to be handled by contractor personnel manning DOE communication centers (COMCENTERS).

2. DOE explains that the purpose for requesting this waiver is to expedite the transmission of daily intelligence terrorism bulletins (normally classified Secret Collateral/NSI) in order that "a heightened consciousness of world and domestic conditions among personnel operating its facilities" can be maintained. DOE clearly states that the request for this exemption is based on convenience since the bulletins would otherwise have to be mailed and may be a "few days late." There is no indication, however, that any of the legitimate recipients of these bulletins have any action to take because of the information contained therein and, as a result, the time element is not critical.

3. Despite the statement in the request that the COMCENTERS are government-owned, contractor-operated (GOCO) facilities, the DOE COMCENTERS do not fit the DCID 1/7 description of a "GOCO" facility. In any event, the need-to-know provisions for the COMCENTERS is clearly based on convenience and not on any real need-to-know.

4. This Agency is unwilling to treat private contractors as if they were government-owned, contractor-operated facilities which are exempt in DCID 1/7. Precedent has been

DOE review completed.

On file OSD release  
instructions apply.

OS 5 2234

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set in the fact that Los Alamos, Lawrence Livermore, and Sandia National Laboratories are exempt from DCID 1/7 standards. This does not include exemption for COMCENTERS that are operated by private contractors. This Agency does not concur with this request for a waiver of NOCONTRACT controls.

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!OS/P&M/PPG [redacted] (9 Oct 85)!

!Distribution:!

! Orig - Adse!  
! 1 - D/S!  
! ① - OS Registry!  
! 1 - PPG Chrono!  
! 1 - SECOM File!

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## ROUTING AND RECORD SHEET

**OS REGISTRY**  
**FILE** *LEG-8*  
*DCID 1/7*

SUBJECT: (Optional) Department of Energy (DOE) Request for Waiver of  
 DCID 1/7 NO CONTRACT Controls

FROM:

Policy Branch/PPG

EXTENSION

NO.

DATE

9 October 1985

TO: (Of  
building)

nd

DATE

RECEIVED

FORWARDED

INITIALS

COMMENTS (Number each comment to show from whom  
 to whom. Draw a line across column after each comment.)

1. C/Policy Br.

Attached is a response to SECOM  
 tasking regarding subject.

2. C/PPG

DOE has two COMCENTERS in the  
 D.C. area, Germantown, which is  
 contractor operated and  
 Forrestal Building which is DOE  
 operated. DOE attempted to  
 have the Forrestal COMCENTER  
 contractor operated. The DDCI  
 advised DOE that no Agency  
 information would be sent to  
 that center and DOE cancelled  
 it's contract plans. Agency  
 information is channeled thru  
 Forrestal.

3. DD/P&M

4. DD/S

5. D/S

6. *OS Registry*

7.

8.

9.

10.

11.

12.

13.

14.

---WARNING NOTICE---  
 INTELLIGENCE SOURCES  
 OR METHODS INVOLVED

15.

This request has little merit  
 beyond convenience for DOE.

*Conc*

*Conc Jem*

**TAB**

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accredited, that covers any ADP system within it. Substantial disagreement was expressed about Mr. Anderson's contention. [redacted] stated that accreditation of a SCIF provides generic approval to perform SCI work in the physical space involved. Accreditation of an ADP system within a SCIF addresses additional factors such as access control. The question of whether a SCIF's sponsor can accredit a system that is sponsored and controlled by another agency was raised. Mr. Blankenship suggested that DCI policy should state criteria for accreditation of SCIFs by SOICs. [redacted] asked Messrs. Anderson and Blankenship to draft their own version or what they believe should be DCI guidance on this subject. (FOUO)

25X1

25X1

ACTION: The OSD and Energy members are requested to provide the Chairman by 9 October 1985 their written proposals on DCI policy guidance on accreditation of SCIFs and ADP systems within them. (FOUO)

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[redacted] to send copies of the staff strawman revisions of DCIDS 1/16 and 1/19 to the Chairmen of the Compartmentation and Computer Security Subcommittees with a request for informal comments and suggestions as soon as possible. (FOUO)

ACTION: Col. Cody and Mr. Basic are requested to have members of their subcommittees review the draft revisions, and to provide consolidated comments to the staff by 11 October 1985. This should include a comprehensive list of elements to be covered in MOA on joint utilization of SCIFs. (FOUO)

### ITEM 3 New Business

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[redacted] advised that Messrs. Blankenship and Bacher from Energy visited him in August to discuss their concerns about dissemination of material bearing the NO CONTRACT control. He invited Mr. Blankenship to speak to the issue. (U)

Mr. Blankenship distributed copies of a memorandum from Mr. Dowd asking for a waiver of DCID 1/7 restrictions to permit NO CONTRACT material to be handled by contractor personnel manning DOE communication centers. Mr. Blankenship said they would like a general examination of the use of NO CONTRACT markings to see if they are being abused. He advised that DOE has spent more than \$1.5 billion in the last five years to upgrade security and has increased its civilian guard force to 4,500. They are concerned about the terrorist threat to DOE facilities, and want to ensure that their security personnel get current information on the threat. DIA and Navy have granted permission for DOE to send their daily terrorist reports to DOE field elements. DOE has a dissemination problem arising from the fact that all their non-SCI communication centers are contractor operated (16 centers with an average of five personnel working in each). [redacted] asked if these centers are internal to DOE. Mr. Blankenship said they are. He noted that center personnel hold Q-clearances for Secret RD based on 5-year scope background investigations. Col. Little advised that he has no authority to release ORCON material in DIA terrorist reports outside of Washington level headquarters elements. [redacted] asked if DOE could review the reports at

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their headquarters level and extract for dissemination to the field those items which do not bear dissemination controls. Col. Cody asked if DOE could format its communications to the field so that controlled material was omitted. Mr. Blankenship said they would prefer to run the full tape through the communications equipment. Col. Cody noted that that was a matter of convenience. Mr. Blankenship acknowledged that that was so. (C)

25X1 ACTION: [redacted] asked members to provide him their views on this waiver request by 27 September 1985. (U)

B. Col. Little distributed two requests for waiver of DCID 1/7 dissemination controls - one to permit an element of the Rand Corporation to have access to NO CONTRACT and PROPIN material; the other to permit TRW contractor representatives associated with the SAFE project to access NO CONTRACT material in connection with information handling functions. He asked Mr. Clayton to discuss the requests. (FOUO)

Mr. Clayton said he thought the request concerning Rand was straightforward and similar to the case in 1982 when SECOM granted a waiver for release of material to the Institute for Defense Analyses. Col. Little added that he thought they had a system which would guard against released information reaching other elements of Rand. [redacted] commented that the OSD memorandum attached to the DIA request was not very specific on details of who will have access, what clearance they hold, and the basis for their clearances. Mr. Pease expressed concern about releasing sensitive information to consultants at Rand who also serve as consultants to other firms. [redacted] said he was especially worried about the protection of PROPIN information released to Rand. Col. Gallo said he thought it essential for PROPIN material to be reviewed individually to determine its releasability. [redacted] observed that member comments suggested that the request should be narrowed to release only of NO CONTRACT material relevant to the task assigned Rand. Col. Little agreed. [redacted] said a legal opinion on this should be obtained. [redacted] to seek OGC views. 25X1 25X1 25X1

ACTION: The Executive Secretary will refer this request to the DCI's Office of General Counsel for legal review and comment.

Col. Little said he would try to obtain information on the job stability of persons working in the Rand component involved in this request. (FOUO)

Mr. Clayton discussed the waiver request involving the SAFE project. He said approximately 7,000 messages are handled by the system daily, with about six to seven percent of them subject to NO CONTRACT control. He stated that the contractor personnel were responsible for dealing with message format problems. The chairman elicited the information that this request is for contractor access within a government facility, under government supervision, and for the duration of a specific task only. Problems needing contractor attention are normally but not necessarily always localized in the message header portion. [redacted] asked Col. Little to determine if the contractor duties could be carried out through access to the header portion only. 25X1

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